



J. TYLER McCAULEY
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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December 22, 2005

TO: Mayor Michael D. Antonovich
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: J. Tyler McCauley 
Auditor-Controller

SUBJECT: **STATUS REPORT - BOARD REQUESTED REPORTS ON DHS
CONTRACT PHYSICIAN OVERSIGHT, PHYSICIAN TIMEKEEPING
PROTOCOLS AND INVESTIGATION OF OUTSIDE EMPLOYMENT
(Board Agenda Item 61-A, July 19, 2005 and Item 85-A, August 30,
2005)**

At the July 19, 2005 meeting, your Board instructed the Auditor-Controller (A-C) to conduct a follow-up audit of the Department of Health Services' (DHS) physician contracting and management practices at King/Drew Medical Center. In addition, at the August 30, 2005 meeting, the Board instructed the A-C to review DHS' implementation of the recommendations from our August 19, 2005 report on Physician Timekeeping Protocols, Contracted Physician Oversight and Outside Employment. We were also instructed to work with DHS' Audit and Compliance Division and the County Director of Personnel to determine whether there were any improprieties at the DHS facilities, and to expedite disciplinary action on any identified cases.

In our November 2, 2005 status report, we reported that DHS was considering alternatives to our recommendation to require County physicians to record their arrival/departure time on sign in/out logs at the hospitals. DHS believes it would be very difficult to implement this recommendation. However, DHS indicated that they are revising their procedures to require physicians to record their arrival/departure time on their timecards and to improve the hospitals' monitoring of physician outside employment.

Because DHS is still revising their procedures, we will postpone our review on the contract physician controls and the implementation status of our recommendations until

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DHS has finalized and implemented the revised procedures, and trained their staff on the new requirements. We are also continuing our investigation of physician time improprieties identified in our prior report. We expect to be able to complete our review and issue our report to your Board by April 28, 2006.

Please contact me if you have any questions, or your staff may contact Jim Schneiderman at (626) 293-1101.

JTM:MMO:JLS:AA

c: David E. Janssen, Chief Administrative Officer
Thomas L. Garthwaite, M.D., Director and Chief Medical Officer, DHS
Raymond G. Fortner, County Counsel
Michael J. Henry, Director of Personnel
Violet Varona-Lukens, Executive Officer
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